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THIRD ANNUAL REPORT

of the

Maryland Racing Commission

to

The Governor of Maryland

1922

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THIRD ANNUAL REPORT

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Maryland Racing Commission

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1922

MARYLAND RACING COMMISSION

BOARD

JAMES A. LATANE, *Chairman*
JERVIS SPENCER, JR.
E. CLAY TIMANUS

STAFF

JAMES F. HAYWARD, *Secretary*
NANNIE C. KREIS, *Stenographer*
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THOMAS A. BERNEY, *Inspector*
WILLIAM V. CONRAN, *Inspector*
BAKER WATERS, *Steward (Half-Mile Tracks)*
JOHN H. ANDERSON, *Steward (Half-Mile Tracks)*
H. W. BLUNT, JR., *Steward (Half-Mile Tracks)*

THIRD ANNUAL REPORT OF MARYLAND RACING COMMISSION

To His Excellency, Albert C. Ritchie,

Governor of Maryland.

The Maryland Racing Commission respectfully submits herewith its Annual Report for the year 1922, including a statement of Receipts and Disbursements by the Commission.

POLICY

The definite policy of regulation rather than of operation by the Commission, as outlined in our previous report, and strictly adhered to, we think, clearly shows that in this way have we gotten the best results and racing of such a character that the State may be justly proud, and that upholds all the traditions of the sport that have come down to us from our Maryland ancestors. Racing has been de-commercialized in this State to a point where the first and foremost consideration now is the character of the sport, and not the returns to the Associations. This was very clearly and recognizedly shown to the racing world when one of our Associations having for our second largest stake, a field of horses, too unwieldly to be accommodated with all having an equal chance, and without danger that some of them might be permanently injured, divided the race, giving each division the original value of the purse. This action was most flatteringly commented on by the public press all over the Country, and will redound to Maryland's everlasting credit. Your Commission has now standardized the compensation to the officers and agents of the tracks with the result that the Associations are administered as efficiently as before,

and very much more economically, and it is our further intention in the coming year to standardize the service of the Associations to the public by selecting the best services in each department from each track, and establishing it as our requirement. Several of our Associations have spent most liberally this year in improving their plants for the comfort and convenience of their patrons, and for the beautifying of their grounds.

QUALITY OF RACING

The quality of racing that we have enjoyed for the past season has not been surpassed anywhere, either as to the class of horses or the closeness of the contests.

ATTENDANCE

Although in other localities the attendance at races was considerably less than in the previous year, with us, it was nearly the same; showing only a slight decrease, and it gives us much pleasure to again announce that there was no disorder at any time.

COUNTY FAIRS

The eleven County Fairs to whom we grant licenses, have, through the assistance of the racing associations, grown and developed most satisfactorily, and your Commission has this season approved donations by Maryland State Fair, Inc., Maryland Jockey Club and Southern Maryland Agricultural Association, of $10,000.00 each to the Maryland Association of Agricultural Fairs.

CONCLUSION

The Commission is very much pleased with the general progress it has made, and with the smoothness with which all racing has been conducted in the State for the past season, and especially is it pleased with the

co-operation and assistance it has received at all times from its licensees.

The Commission attaches hereto an account of Receipts and Disbursements of the Commission, and an account of the Receipts and Disbursements during the year of the four licensees of the Commission operating one-mile tracks.

Respectfully submitted,

JAS. A. LATANE, *Chairman.*
JERVIS SPENCER, JR.
E. CLAY TIMANUS.

STATEMENT OF MARYLAND RACING COMMISSION

(FOR YEAR 1922.)

RECEIPTS.

County Fairs, 41 days racing @ $50.00 per day		$2,050.00
Harford Agricultural and Breeders' Association, 23 days racing @ $6000 per day	$138,000.00	
15 per cent. of net revenue	24,054.85	162,054.85
Maryland State Fair, Inc., 23 days racing @ $6000 per day	$138,000.00	
15 per cent. of net revenue	39,385.66	177,385.66
Maryland Jockey Club of Baltimore City, 23 days racing @ $6000 per day	$138,000.00	
Account of Baltimore County $3000 per day	69,000.00	
15 per cent. of net revenue	40,753.34	247,753.34
Southern Maryland Agricultural Association, 23 days racing @ $6000 per day	$138,000.00	
15 per cent. of net revenue	25,491.36	163,491.36
License Fees, Trainers and Jockeys		1,300.00
Interest on Money on Deposit		3,689.82
Reserved from 1921 Revenue for 1922 Expenses		10,000.00
Total Receipts		$767,725.03

DISBURSEMENTS.

Commission's Salary	$10,000.00
Office Salaries	5,030.00
Salaries and Expenses of Commssioners' Employees for County Fairs	1,797.71
Premiums on Commissioners' Fidelity Bonds	1,500.00
Automobile and Car Hire	1,782.35

Travel and Miscellaneous Expense for Commissioners and Secretary		1,251.30
Office Supplies		216.29
Office Expense (Miscellaneous)		223.74
Office Furniture and Fixtures		57.75
Telephone		108.56
Rent of Offices		1,950.00
Paid to Treasurer of Baltimore County,		
June 29, 1922	$36,000.00	
December 29, 1922	33,000.00	69,000.00
Paid to County Treasurers		2,050.00
Paid to State Treasurer,		
June 29, 1922	$204,202.60	
December 29, 1922	458,554.73	662,757.33
Reserved from 1922 Income for 1923 Expenses		10,000.00
Total Disbursements		$767,725.03

HARFORD AGRICULTURAL AND BREEDERS' ASSOCIATION, INCORPORATED

STATEMENT OF NET REVENUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE YEAR ENDED OCTOBER 31, 1922.

REVENUE:

Admissions:		
General	$191,571.00	
Club House	6,259.00	
Boxes	1,864.50	
Membership Dues	1,340.00	
Pari-Mutuels:		
Commissions	590,171.05	
Breakage	105,518.70	
Programs—net	6,515.48	
Concessions	10,550.00	
Interest Received on Liberty Loan Bonds	850.00	
Leads to Post	100.00	
Total		$914,739.73

EXPENSES:

(Including amounts allowable by the commission as officers' salaries, directors' compensation, and legal fees in lieu of actual expenditures therefor):

State License, 23 days @ $6000 per day	$138,000.00	
Stakes and Purses	262,998.24	
Pari-Mutuel Expenses:		
Salaries and Wages paid	85,355.00	
Stationery and Printing	12,213.79	
Insurance of Money	282.11	
Miscellaneous	2,337.08	
Salaries and Wages paid to racing officials and employees	26,384.00	
Salaries paid to regular track employees	12,695.70	
Officers' salaries and directors' compensation—amount allowable by the Commission	25,000.00	
Wages paid temporary track employees	6,924.30	
Stationery, printing and postage	5,292.23	
Music	1,685.50	
Services of Pinkerton National Detective Agency	11,554.29	
Light and water	2,024.77	
Advertising and publicity service	13,515.93	
Ambulance and hospital service	470.00	
Team Hire and Expense	3,963.13	

Telephone and Telegraph	878.91	
Legal fees—amount allowable by the Commission	5,000.00	
Other professional srevices	2,145.04	
Insurance premiums paid	7,324.73	
Taxes paid, other than Federal Income and profits taxes	6,637.81	
Rent paid	300.00	
Interest paid	499.90	
Donations	1,307.00	
Cash "over and short" account, etc	892.44	
Miscellaneous	2,126.44	
Total		$637,808.34
Net taxable revenue before deducting cost of new construction, equipment and repairs		$276,931.39
Cost of new construction equipment and repairs (actual expenditures allowable by the Commission):		
New construction and equipment	$99,402.25	
Repairs	17,163.42	$116,565.67
Net taxable revenue after deducting cost of new construction, equipment and repairs		$160,365.72

CERTIFICATE.

We have made an examination of the books and accounts of the Harford Agricultural and Breeders' Associtaion, Incorporated, for the year ended October 31, 1922, and, subject to the allowance by the Commission of the amounts included in the above statement as officers' salaries, directors' compensation, legal fees, and cost of new construction, equipment, and repairs, and to the fact that no provision has been made in the above statement for Federal income taxes paid or accrued,

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the year ended October 31, 1922, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 6, 1922.

DISTRIBUTION OF NET REVENUE.

State Tax of 15% on Net Revenue	$24,054.85
Federal income and profits tax for 1922	When ascertained
Applicable as Dividend to Stockholders (10% on Capital)	110,392.22
Set Aside for Building Fund	Balance of net revenue after above payments

MARYLAND STATE FAIR, INCORPORATED

STATEMENT OF NET REVEUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE PERIOD FROM DECEMBER 1, 1921, TO NOVEMBER 20, 1922.
(RACE MEETING OCTOBER 3 TO 28, 1922.)

REVENUE.

Admissions:		
General	$233,977.50	
Club House	9,035.00	
Club House Exchange	409.50	
Paddock Exchange	7,239.00	
Boxes	2,655.00	
Membership dues	11,825.00	
Pari-Mutuels:		
Commissions	586,842.20	
Breakage	99,210.95	
Programs—net	11,352.70	
Concessions	9,203.00	
Leading horses to post	50.00	
Interest received:		
Notes receivable	14,727.84	
Bank balances	1,297.05	
Rental of stalls	1,146.70	
Rental of house	57.00	
Sales of scrap, etc	117.75	
Total		$989,146.19

EXPENSES.

(Including amounts allowable by the Commission as officers' salaries and legal fees in lieu of actual expenditures therefor.)

State license, 23 days @ $6,000 per day	$138,000.00	
Stakes and purses	299,300.08	
Pari-Mutuel expenses:		
Salaries and wages paid	79,302.60	
Stationery and Printing	12,518.09	
Insurance of Money	1,553.20	
Repairs	430.50	
Miscellaneous	160.75	
Salaries and wages paid to racing officials and employees	40,383.00	
Officers' salaries—amount allowable by the Commission	25,000.00	
Wages paid to regular track employees	17,004.71	
Office salaries	3,300.00	
Stationery and printing	3,790.24	

Services of Pinkerton National Detective Agency	2,280.26	
Music	2,300.00	
Water, heat and light	2,797.62	
Advertising and publicity service	6,930.00	
Ambulance service	345.00	
Automobile expenses	321.77	
Telephone and telegraph	170.91	
Carfare and expenses of officers and employees	3,864.30	
Insurance premiums, net	15,326.16	
Taxes paid, other than Federal income and profits taxes	25,589.60	
Cash "over and short" account	117.60	
Donations	12,300.00	
Legal fees—amount allowable by the Commission	5,000.00	
Other professional services	521.47	
Office rent and clerk hire, New York	3,000.00	
Miscellaneous	4,287.58	
Total		$705,895.44

New taxable revenue before deducting cost of new construction, equipment and repairs		$283,250.75
Cost of new construction, equipment and repairs (actual expenditures allowable by the Commission):		
New construction and equipment	$8,980.50	
Repairs	11,699.18	
		20,679.68
Net taxable revenue after deducting cost of new construction, equipment and repairs		$262,571.07

CERTIFICATE.

We have made an examination of the books and accounts of the Maryland State Fair, Incorporated, for the period from December 1, 1921, to November 20, 1922, and subject to the allowance by the Commission of the amounts included in the above statement as officres' salaries, legal fees, and cost of new construction, equipment, and repairs, and to the fact that no provision has

been made in the above statement for Federal Income taxes paid or accrued,

WE HEREBY CERTIFY that, in our opinion, the above statement of net revenue taxable by the Maryland Racing Commission for the period from December 1, 1921, to November 20, 1922 is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 8, 1922.

DISTRIBUTION OF NET REVENUE.

State tax of 15% on net revenue	$39,385.66
Federal income and profits tax for 1922	When ascertained
Applicable as dividend to stockholders (10% on capital)	$107,931.74
Set Aside for Building Fund	Balance of net revenue after above payments

MARYLAND JOCKEY CLUB OF BALTIMORE CITY

STATEMENT OF NET REVEUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE YEAR ENDED NOVEMBER 30, 1922.

REVENUE.

Admissions:		
General	$326,782.25	
Club house	14,740.00	
Paddock exchange	8,307.50	
Boxes	3,985.00	
Membership dues and initiation fees	18,810.00	
Pari-mutuels:		
Commissions	745,398.15	
Breakage	131,093.55	
Programs—net	13,172.87	
Concessions	1,795.00	
Profit from operation of restaurant and catering service	9,954.94	
Leading horses to post	50.00	
Interest received:		
Bank balances	14,229.57	
Loans	179.08	
Investments	1,835.00	
Dividends received on investments	150.00	
Rental	325.00	
Profit on sale of investment	20.83	
Total		$1,290,828.74

EXPENSES.

(Including amounts allowable by the Commission as officers' salaries and legal fees in lieu of actual expenditures therefor):

State license, 23 days, @ $6000.00 per day	138,000.00	
Baltimore County license, 23 days, @ $3000.00 per day	69,000.00	
Stakes and purses	438,021.97	
Awards to trainers of wining horses	8,050.00	
Pari-mutuel expenses:		
Salaries and wages paid	107,852.50	
Stationery and printing	11,196.37	
Insurance of money	585.31	
Repairs	690.44	
Miscellaneous	1,226.30	
Salaries and wages paid to racing officials and employees	60,136.88	

Officers' salaries and directors' compensation—amount allowable by the Commission	25,000.00	
Expense of officer	1,100.00	
Donation	10,000.00	
Wages paid to regular track employees	34,833.14	
Office salaries	9,325.00	
Rent of track property	24,000.00	
Stationery and printing	4,534.51	
Music	2,210.00	
Services of Pinkerton National Detective Agency	2,012.74	
Water, heat and light	2,765.51	
Advertising and publicity service	9,980.75	
Ambulance service	345.00	
Auto hire	473.00	
Telephone and telegraph	354.69	
Insurance premiums paid	32,551.24	
Taxes paid, other than Federal income taxes	10,472.36	
Legal fees—amount allowable by the Commission	5,000.00	
Other professional services	916.50	
Cash "over and short" account	1,185.95	
Rent of office	1,705.00	
Tools and supplies	1,271.05	
Miscellaneous	4,343.57	
Total		$1,019,139.78
Net taxable revenue before deducting cost of new construction, equipment and repairs		$271,688.96
Cost of new construction, equipment and repairs (actual expenditures allowable by the Commission):		
New construction and equipment	$9,070.59	
Repairs	16,283.78	
		25,354.37
Net taxable revenue after deducting cost of new construction, equipment and repairs		$246,334.59

CERTIFICATE

We have made an examination of the books and accounts of

the Maryland Jockey Club of Baltimore City, for the year ended November 30, 1922, and subject to the allowance by the Commission of the amounts included in the above statement as officers' salaries, directors' compensations, legal fees, and cost of new construction, equipment and repairs, and to the fact that no provision has been made in the above statement for Federal income taxes paid or accrued,

WE HEREBY CERTIFY that, in our opinion the above statement of Net Revenue Taxable by the Maryland Racing Commission for the year ended November 30, 1922, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 20, 1922.

Net revenue as shown in the above statement, after new construction, equipment and repairs ,should not have had deducted $25,354.37, as more than this amount was in the Building Fund at the beginning of the year, and which should have been exhausted for these improvements before using 1922 income. Therefore net income on whcih 15% is calculated should be $271,688.96.

DISTRIBUTION OF NET REVENUE

State tax of 15% on net revenue	$40,753.34
Federal income and profits tax for 1922	When ascertained
Applicable as dividend to stockholders (10% on capital)	$103,662.77
Set Aside for Building Fund	Balance of net revenue after above payments

SOUTHERN MARYLAND AGRICULTURAL ASSOCIATION

STATEMENT OF NET REVEUE TAXABLE BY THE MARYLAND RACING COMMISSION FOR THE YEAR ENDED NOVEMBER 30, 1922.

REVENUE:

Admissions:		
General	$170,824.50	
Club house	6,136.00	
Paddock exchange	7,245.00	
Boxes	1,992.00	
Pari-mutuels:		
Commissions	572,753.00	
Breakage	106,374.60	
Programs—net	10,641.67	
Concessions	4,647.50	
Leading horses to post	120.00	
Miscellaneous	101.56	
Total		$880,835.83

EXPENSES.

(Including amounts allowable by the Commission as officers' salaries and legal fees in lieu of actual expenditures therefor):

State license, 23 days, @ $6000.00 per day	$138,000.00	
Stakes and purses	224,800.00	
Pari-mutuel expenses:		
Salaries and wages paid	87,584.50	
Stationery and printing	28,537.22	
Insurance of money	822.60	
Miscellaneous	656.18	
Salaries and wages paid to racing officials and employees	39,787.71	
Officers' salaries—amount allowable by the Commission	25,000.00	
Officers' expenses	500.00	
Wages paid to regular track employees	15,493.26	
Office salaries	4,669.26	
Stationery and printing	3,155.37	
Music	1,720.00	
Services of Pinkerton National Detective Agency	1,822.83	
Services of Lancaster Detective Bureau	11,328.14	
Light, heat, etc	1,188.78	
Advertising and publicity service	15,194.80	

Telephone and telegraph	853.38	
Insurance premiums paid	17,195.43	
Taxes paid, other than Federal income and profits taxes	11,860.54	
Legal fees—amount allowable by the Commission	5,000.00	
Other professional services	981.90	
Rent of offices paid	2,200.00	
Cash "over and short" account	1,033.19	
Interest on loans	1,112.50	
Donations	10,267.50	
Miscellaneous	9,336.69	
Total		$660,101.78

Net taxable revenue before deducting cost of new construction, equipment and repairs		$220,734.05
Cost of new construction, equipment and repairs (actual expenditures allowable by the Commission):		
New construction and equipment	$126,767.00	
Repairs	23,816.47	
		150,583.47
Net taxable revenue after deducting cost of new construction, equipment and repairs		$70,150.58

CERTIFICATE

We have made an examination of the books and accounts of the Southern Maryland Agricultural Association, for the year ended November 30, 1922, and subject to the allowance by the Commission of the amounts included in the above statement as officers' salaries, legal fees, and cost of new construction, equipment and repairs; to the fact that no provision has been made in the above statement for Federal income taxes paid or accrued, and to the accompanying comments,

WE HEREBY CERTIFY that, in our opinion the above statement of net revenue taxable by the Maryland Racing Commission for the year ended November 30, 1922, is correct.

(Signed) HASKINS & SELLS.

Baltimore, December 20, 1922.

Net revenue as shown in the above statement, after new construction, equipment and repairs, should not have had deducted $99,791.82, the amount in Building Fund at the beginning of the year, and which should be exhausted for these improvements before using 1922 income. Therefore net income on which 15% is calculated should be $169,942.40.

DISTRIBUTION OF NET REVENUE

State tax of 15% on net revenue	$25,491.36
Federal income and profits tax for 1922	When ascertained
Applicable as dividend to stockholders (10% on capital)	72,457.16
Set aside for building fund	Balance of net revenue after above payments

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Net revenue as shown in the above statement, after new construction, equipment and repairs, should not have had deducted $89,794.82, the amount in Building Fund at the beginning of the year and which should be exhausted for these improvements before using 1922 income. Therefore net income on which 15% is calculated should be $169,942.40.

DISTRIBUTION OF NET REVENUE

State tax of 15% on net revenue Federal income and profits tax for 1922	$25,491.36	When ascertained
Applicable as dividend to stockholders (10% on capital)	72,457.16	Balance of net revenue after above payments
Set aside for building fund		

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DO NOT CIRCULATE